NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (4/29)
BUTTER: Grade AA closed at $1.3975. The weekly average for Grade AA is $1.4083 (-.0575).
CHEESE: Barrels closed at $1.3850 and blocks at $1.4450. The weekly average for barrels is $1.3830 (-.0680) and blocks, $1.4500 (-.0795).

BUTTER: Butter markets are weak as the cash price at the CME at midweek declined to the lowest level since January 2004. Churning activity across the country remains much heavier than many producers and handlers anticipated. Cream volumes remain readily available to butter producers at very competitive prices for this time of the season. Overall butter demand is fair at best. Some retailers are reporting that lower shelf prices are stimulating butter sales. Most butter orders are for short term or immediate needs especially as the cash price continues to move lower.

CHEESE: The cash cheese market is weak. More people in the industry feel that the C.W.T. program's $1.40 price floor target may be reached. Many feel that overall cheese offerings will remain above year ago levels at least another month or so due to increased milk production. Current cheddar and natural American cheese supplies remain tight to adequate. Mozzarella offerings exceed the generally slow interest. Extra barrels are available from some sources as process sales continue to struggle seasonally. Surplus milk offerings were higher in many areas of the country and some cheese plant operators were reluctant to purchase additional volumes without a discount. The Kansas City Commodity Office (KCCO) announced the purchase of between 24.0 million pounds and 62.1 million pounds of process American cheese under Invitation 150 to Announcement PCD4 for delivery July 1, 2005 – June 30, 2006. This is the approximate process volume that KCCO was seeking.

FLUID MILK: Milk production trends across the country are at or nearing seasonal peak levels. In the Southeast, milk handlers feel that the milk output is at peak levels. In Florida, over 200 loads of surplus milk left the state for processing further north. In the Northeast, Central and the Southwestern parts of the country, milk production continues to head toward seasonal peak levels. In California and the Pacific Northwest, milk output is steady to higher with peak levels still a ways off. Overall milk volumes from coast to coast appear to be heavier than last year at this time. Milk intakes at most plants are showing increases and more handlers are thinking that plant capacity may get really tested this spring, especially once schools recess for the summer. Already, reports of surplus milk selling at distressed prices are more common. Cream markets remain weak. Demand is slow from higher class unitizations and cream is ending up at butter churns across the country. Often, cream is moving into the Central part of the country from Eastern and Western sources.

DRY PRODUCTS: Nonfat dry milk markets are steady to firm with prices unchanged to higher from coast to coast. Production is higher than anticipated at this time of year due to heavier milk volumes. In many parts of the country, dryers are already at or very near peak capacity. Buying interest remains active for export needs with domestic buying patterns classified as holding steady at good levels. Buttermilk powder markets are steady at best. Prices are unchanged to lower as accumulating stocks are putting downward pressure on prices. Some dryers are hard pressed to clear all the skim they have, thus there is little dryer-time left for buttermilk, while others are realizing higher than projected drying schedules. Whey powder markets are firm with prices unchanged to higher. Domestic trade activity is light and mostly contractual. New export sales are being put together. Market conditions and prices in other areas of the world mean that the U.S. is potentially the main source of whey powder for international trade.

CCC: During the week of April 25 - 29, there was no price support activity. The last CCC purchase of NDM occurred in late November 2004.

CLASS AND COMPONENT PRICES (DAIRY PROGRAMS): The following are the April 2005 prices under the Federal Milk Order pricing system: Class II $13.24 (- $0.01), Class III $14.61 (+ $0.53); and Class IV $12.61 (- $0.05). Product price averages used in computing Class prices are: butter $1.5287, NDM $0.9156, cheese $1.5590, and dry whey $0.2580. The Class II butterfat price is $1.7034 and the Class III/IV butterfat price is $1.6964. Further information may be found at:
http://www.ams.usda.gov/dyfmos/mib/classprcacnmt.pdf

COLD STORAGE (NASS): On March 31, U.S. cold storage holdings of butter totaled 132.7 million pounds, 19.6% more than a month ago and 16.1% less than last March. Natural American cheese holdings total 522.0 million pounds, 5.1% more than a month ago and virtually unchanged from March 2004. Nonfat dry milk holdings at the end of February total 375 million pounds, 65 million pounds less than last month and 521 million pounds less than last March. The government holds 78.9% of the total nonfat holdings.

COMMERCIAL DISAPPEARANCE (ERS, AMS): Commercial disappearance of dairy products for the three months of December 2004 – February 2005 totals 42.2 billion pounds, 2.4% above the same period in 2003. Comparing disappearance levels with year earlier levels: butter is -3.3%; American cheese, +6.9%; other cheese, +5.3%; NDM, +59.7% and fluid milk products, -0.6%.

MARCH CONSUMER PRICE INDEX (BLS): The CPI for all food is 189.1, up 2.5% from March 2004. The dairy products index is 181.4, up 5.5% from a year ago. The following are the March to March changes for selected products: fresh whole milk is + 10.6%; cheese, + 4.9%; and butter, + 5.8%.

******SPECIAL THIS ISSUE******

CHICAGO MERCANTILE EXCHANGE
CASH TRADING

PRODUCT	MONDAY APRIL 25	TUESDAY APRIL 26	WEDNESDAY APRIL 27	THURSDAY APRIL 28	FRIDAY APRIL 29	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	$1.4000 (N.C.)	$1.3800 (-.0200)	$1.3800 (N.C.)	$1.3700 (-.0100)	$1.3850 (+.0150)	(-.0150)	$1.3830 (-.0680)
40# BLOCKS	$1.4600 (N.C.)	$1.4500 (-.0100)	$1.4500 (N.C.)	$1.4450 (-.0050)	$1.4450 (N.C.)	(-.0150)	$1.4500 (-.0795)
BUTTER GRADE AA	$1.4350 (-.0225)	----	$1.3925 (-.0425)	----	$1.3975 (+.0050)	(-.0600)	$1.4083 (-.0575)

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs. *Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM **NOTE: CME NDM on Page 2.**

CHICAGO MERCANTILE EXCHANGE

MONDAY, APRIL 25, 2005

CHEESE — SALES: NONE; BIDS UNFILLED: 2 CARS 40# BLOCKS: 1 @ $1.4400, 1 @ $1.4300; OFFERS UNCOVERED: NONE
BUTTER — SALES: 10 CARS GRADE AA: 1 @ $1.4575, 1 @ $1.4500, 1 @ $1.4400, 1 @ $1.4450, 3 @ $1.4400, 1 @ $1.4375, 2 @ $1.4350; BIDS UNFILLED: 4 CARS GRADE AA: 1 @ $1.4325, 2 @ $1.4300, 1 @ $1.4200; OFFERS UNCOVERED: 5 CARS GRADE AA: 3 @ $1.4575, 2 @ $1.4600

TUESDAY, APRIL 26, 2005

CHEESE — SALES: 2 CARS BARRELS: 1 @ $1.3900, 1 @ $1.3800; 3 CARS 40# BLOCKS @ $1.4500; BIDS UNFILLED: 1 CAR 40# BLOCKS @ $1.4400; OFFERS UNCOVERED: NONE

WEDNESDAY, APRIL 27, 2005

CHEESE — SALES: NONE; BIDS UNFILLED: 1 CAR 40# BLOCKS @ $1.4400; OFFERS UNCOVERED: 1 CAR BARRELS @ $1.4000
BUTTER — SALES: 17 CARS GRADE AA: 1 @ $1.4200, 1 @ $1.4100, 5 @ $1.4000, 1 @ $1.3975, 1 @ $1.4000, 1 @ $1.3950, 1 @ $1.4000, 1 @ $1.3975, 1 @ $1.3950, 1 @ $1.4025, 1 @ $1.4000, 1 @ $1.3950, 1 @ $1.3900; BIDS UNFILLED: 5 CARS GRADE AA: 1 @ $1.3925, 2 @ $1.3900, 1 @ $1.3800, 1 @ $1.3500; OFFERS UNCOVERED: 6 CARS GRADE AA: 1 @ $1.4175, 5 @ $1.4300

THURSDAY, APRIL 28, 2005

CHEESE — SALES: 1 CAR BARRELS @ $1.3700; 3 CARS 40# BLOCKS: 2 @ $1.4500, 1 @ $1.4450; BIDS UNFILLED: 3 CARS BARRELS: 1 @ $1.3000, 2 @ $1.2500; 1 CAR 40# BLOCKS @ $1.4400; OFFERS UNCOVERED: 1 CAR BARRELS @ $1.3800; 1 CAR 40# BLOCKS @ $1.4450

FRIDAY, APRIL 29, 2005

CHEESE — SALES: 2 CARS BARRELS: 1 @ $1.3800, 1 @ $1.3850; 3 CARS 40# BLOCKS: 1 @ $1.4425, 2 @ $1.4450; BIDS UNFILLED: 1 CAR BARRELS @ $1.3800; 6 CARS 40# BLOCKS: 2 @ $1.4450, 3 @ $1.4425, 1 @ $1.4400; OFFERS UNCOVERED: 1 CAR BARRELS @ $1.4050
BUTTER — SALES: 18 CARS GRADE AA: 2 @ $1.4000, 1 @ $1.4025, 1 @ $1.3975, 1 @ $1.4000, 1 @ $1.3975, 1 @ $1.3950, 6 @ $1.4000, 1 @ $1.3975, 1 @ $1.4000, 1 @ $1.3975, 1 @ $1.3950, 1 @ $1.3975; BIDS UNFILLED: 7 CARS GRADE AA: 1 @ $1.3950, 5 @ $1.3925, 1 @ $1.3900; OFFERS UNCOVERED: NONE

CME CASH NONFAT DRY MILK: Extra Grade closed the week at $0.9625 and Grade A at $0.9825. (The last price change occurred March 30.) The weekly average for Extra Grade is $0.9625 (N.C.) and Grade A is $0.9825 (N.C.).

BUTTER MARKETS

MARCH COLD STORAGE

According to NASS, March month-ending cold storage figures for butter total 132.7 million pounds, 16.1% less than last March, but 19.6% more than February 2005.

NORTHEAST

The CME cash price for butter dipped below $1.50 on April 15 and has held below that figure through April 25. This is the longest stretch of trading sessions below $1.50 since January 2004. The recent Cold Storage report for March shows nearly 22 million pounds more than February's report. This is the largest February to March increase in more than three decades. Churning activity remains heavy and surplus cream volumes continue to move to the Midwest to find processing capacity. Bulk and packaged butter stocks are fully adequate to ample for current demand. Retail butter sales are slow to fair, best when featured. Food service orders are mostly steady. Sales of bulk butter f.o.b. East, are reported in a range from flat market to 3.0 cents over the CME price/average.

CENTRAL

Butter markets remain weak as the cash price continues to decline. At midweek, the cash price of $1.3925 is the lowest it has been in nearly 16 months. Some producers and handlers are quite surprised at the level of weakness. Earlier in the year, many were of the opinion that butter prices would remain firm for much of the spring due to low butter inventories, the uncertainty of cream availability, and competition for the available cream. Cream availability has been much greater than anticipated and competition has been minimal. Some butter producers have indicated that cream sellers have been more willing this spring to negotiate pricing just to keep cream from backing up. The inventory gap between this year and last continues to narrow. According to CME warehouse inventory figures, it will probably not be too far off that current inventories will surpass last year levels. Producers and handlers state that this would not have happened if it had not been for the heavier than anticipated volumes of cream that have been available to them thus far this year. Butter demand is seasonally fair. Some retailers are reporting that shelf prices are trending lower which is encouraging steady to improved buying patterns without feature activity. Bulk butter for spot sale is being reported in the 1 – 3 cents per pound over various pricing basis.

WEST

Cash prices at the CME have declined 16 3/4 cents since April 11 and are now the lowest since January of 2004. Western producers indicate that sales activity was slow before prices started to fall and since then things have slowed further. Buyers are now very much price shoppers. They will look at some bulk if they think it will be a good buy related to prices this summer. Futures prices for butter do not get above $1.50 for the rest of this year. Cream offerings, and therefore churning, remain very heavy. Other cream users are taking only light volumes. Most plants have plenty of butter for immediate shipment. Some are satisfied to put it away at these prices for future needs. The U.S. Cold Storage report was released last week and this added additional weakness to the market. Stocks do remain below year ago levels at 132.7 million pounds. The issue for the trade to consider is that stocks are growing at a much faster rate. During March, stocks grew by 21.8 million pounds. The average increase since 1999 for March has been about 8 million pounds. Stocks have not grown this fast since at least 1970. CME weekly butter stocks grew by 7.39 million pounds last week to stand at 82.5 million pounds. Stocks now trail last year by less than 8 million pounds. Stocks have not increased this much in one week since February of 2003. Bulk butter prices range from flat to 5 cents under based on the CME with various time frames and averages.

NASS DAIRY PRODUCT PRICES

U.S. AVERAGES AND TOTAL POUNDS

WEEK ENDING	CHEESE 40# BLOCKS	CHEESE BARRELS 38% MOISTURE	NDM	BUTTER	DRY WHEY
APRIL 23	1.5740	1.5386	0.9204	1.4912	0.2602
	8,300,635	10,575,605	17,822,647	4,014,553	13,223,551

Further data and revisions may be found on the internet at: http://jan.mannlib.cornell.edu/reports/nassr/price/dairy

CHEESE MARKETS

NORTHEAST

Prices are lower for the third consecutive week. The market tone is steady to weaker. Buyers, seeing prices decline, are ordering on a hand to mouth basis and waiting for prices to "bottom out." With the April Class III milk price expected to be higher and the slower demand for cheese is causing some Northeastern producers cut back on cheese output. The plant that was down for renovations last week is back on line. Surplus milk supplies are heavy in the region and some cheese makers are being offered milk at discounted prices. Cheese stocks are adequate for current needs. The most notable slow down in demand is seen in mozzarella. Food service orders are steady are fair levels.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.5950-2.1100
Cheddar Single Daisies	:	1.5525-2.0275
Cheddar 40# Block	:	1.6700-1.9275
Process 5# Loaf	:	1.6600-1.8675
Process 5# Sliced	:	1.6800-1.8950
Muenster	:	1.7675-1.9700
Grade A Swiss Cuts 10 - 14#	:	2.4500-2.6500

MIDWEST

The cheese market is weak. Currently in the $1.40’s, the cash block price at the Chicago Mercantile Exchange is sharply below the $2.20 record mark just 1 year ago. Buyers and sellers continue to react to the prospect of larger cheese and milk production and supplies into at least spring. Opinions on the likelihood of prices reaching or going below the $1.40 C.W.T. mark are more frequent. More firms are finding that customers react strongly to price specials and see demand soften after the promotion. Process sales continue to lag the normal spring boost in movement for most processors. Natural American interest ranges from just fair to occasionally good. Some Western barrels are available in the Midwest at prices well below the current Chicago Mercantile Exchange price, though the quality may be suspect. Mozzarella demand remains light and some producers are cutting production to slow inventory building. Milk intakes are increasing and yields are showing larger declines at a few locations. Increased volumes of spot milk are available to plant operators, more frequently at a discount.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.6500-2.0300
Brick And/Or Muenster 5#	:	2.0400-2.0800
Cheddar 40# Block	:	1.8800-2.2650
Monterey Jack 10#	:	2.1100-2.2650
Blue 5#	:	2.3750-2.7200
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.8200-2.3650
Grade A Swiss Cuts 6 - 9#	:	2.3800-2.9000

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
04/25/05	46,894	:	140,000
04/01/05	42,393	:	133,181
CHANGE	4,501	:	6,819
% CHANGE	11	:	5

WEST

Prices continue to weaken at the cash CME market. Prices have now fallen 17 1/2 cents since early April. They are now approaching the level where the CWT program indicates that they will step in and export some cheese to stabilize or strengthen the market. Recently, this has worked as a floor under the market. Contacts in the West indicate that the block market remains in excellent balance to tight. Some shipments on contracts are taking up to two weeks to fill. Milk is increasing and plant production schedules are being expanded. Barrels and mozzarella are in a longer position and some discounts are noted. Some buyers are trying to put away current blocks for future needs and because they feel they can make some money, but there is no current cheese on a spot basis available to meet this need. The U.S. Cold Storage report was released last week and it indicates that nationally stocks are growing more rapidly. American cheese stocks during March increased 25.4 million pounds. That is the largest March increase in at least 31 years. The average change in March since 1999 is a decline of 2 million pounds. Stocks stand at 522.0 million pounds, about a million pounds ahead of 2004. Swiss stocks at the end of March total 22.6 million pounds, down about 3% from last year. Stocks did decline compared to February by 17% or 4.7 million pounds.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.6025-1.8600
Cheddar 40# Block	:	1.6500-2.0025
Cheddar 10# Cuts	:	1.8300-2.0500
Monterey Jack 10#	:	1.8400-2.0000
Grade A Swiss Cuts 6 - 9#	:	2.2500-2.7000

FOREIGN

Prices are unchanged to lower and the market tone is moving into typical spring/summer patterns. Demand for foreign type cheese is slow to fair and supplies are generally adequate to cover current needs. The E.U. recently announced a reduction (approximately 5%) in their export refunds for cheese. This should increase the cost cheese importers have to pay for new orders. This may have an impact on the U.S. cheese market in that the favorable rate of exchange may help make U.S. cheese more attractive on the world market.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

	:	NEW YORK		
VARIETY	:	IMPORTED	:	DOMESTIC
Roquefort	:	TFEWR	:	-0-
Blue	:	2.6400-4.6900	:	1.9075-3.3975*
Gorgonzola	:	3.6900-5.9400	:	2.4200-2.4900*
Parmesan (Italy)	:	TFEWR	:	3.3250-3.4300*
Romano (Italy)	:	2.1000-3.1500	:	-0-
Provolone (Italy)	:	3.4400-6.0900	:	1.9100-2.1450*
Romano (Cows Milk)	:	-0-	:	3.1050-5.2700*
Sardo Romano (Argentine)	:	2.8500-3.2900	:	-0-
Reggianito (Argentine)	:	2.6900-3.2900	:	-0-
Jarlsberg-(Brand)	:	3.1200-4.1500	:	-0-
Swiss Cuts Switzerland	:	-0-	:	2.4500-2.6500
Swiss Cuts Finnish	:	2.5900-2.8500	:	-0-
Swiss Cuts Austrian	:	TFEWR	:	-0-
Edam	:		:	
2 Pound	:	TFEWR	:	-0-
4 Pound	:	2.1900-3.5600	:	-0-
Gouda, Large	:	TFEWR	:	-0-
Gouda, Baby ($/Dozen)	:		:	
10 Ounce	:	27.8000-31.7000	:	-0-

* = Price change.

FLUID MILK AND CREAM

EAST

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	229	0	173	0	162
SOUTHEAST STATES	0	0	0	0	0	0

The base price for Class I milk for May 2005 is $14.85, up $0.67 from April. A Class I differential specific to each pricing point (county) is added to the base price to determine the applicable Class I price. The Class II skim milk price for May is $7.91, up $.07 from April. Milk production is steady at peak levels in much of the Southeast; steady to higher in the Northeast. Fluid milk supplies are reported as burdensome, as contacts report that the peak is here. Pasture growth is still lagging in the cooler, northern areas and contacts expect additional production increases when the cows "get on grass." The milk flow is holding at peak levels along the Gulf Coast as mild weather is nearly ideal for cow comfort. Florida milk handlers shipped more than 225 loads of milk out of state this week and adjusted last week's total higher. The flat demand coupled with continued heavy production is forcing all this milk to clear out of state. Contacts in all sections of the East report that Class I milk sales are steady to slower and surplus milk volumes are excessive. Most manufacturing plants are operating at capacity levels. Reports of surplus milk selling at distressed prices are more common. The condensed skim market is improving slowly and prices for Class II did move higher while Class III is unchanged. The fluid cream market remains weak. Prices are generally lower as last week's average CME cash butter price declined more than 5.5 cents and early-week trading continues to see lower prices this week. Most, if not all, butter makers are buying cream based on the butter market, date-of-shipment. Overall, supplies are excessive and demand lackluster. However, scattered reports note improving orders from ice cream plants, but the improvements were not the norm. Cream suppliers continue to note that sales to ice cream plants, even contract sales, are lagging anticipated levels. Cooler weather prevails and soft serve and hard ice cream sales are sluggish. Cream cheese output remains slow and, in some instances, producers are not taking or delaying their contacted loads. Churning activity remains heavy and loads of excess cream continue to move to the Midwest for processing.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, $ PER LB BUTTERFAT

F.O.B. Producing Plants: Northeast	-	1.7590-1.9055
Delivered Equivalent Atlanta	-	1.7736-1.9349 M 1.8176-1.8909
F.O.B. Producing Plants: Upper Midwest	-	1.7590-1.8469

PRICES OF CONDENSED SKIM, $ PER LB SOLIDS

F.O.B. PRODUCING PLANTS:

Northeast- Class II - includes monthly formula prices	-	1.0000-1.0200
Northeast- Class III - spot prices	-	1.1400-1.1700

MIDWEST

Class I demand is about steady with the usual promotional activity stimulating sales in some markets. Milk demand has rapidly turned the corner from being close to in balance to surplus with frequent discounting needed to clear surplus supplies. Prices are quite variable depending on time and volumes available, but prices range from -$2.00 to +$1.00, with weekend and early week lowest due to the larger volumes available. Many buyers are trying to balance milk purchases with needs especially after cheese sales slowed following the 8 cent drop in the cheddar block price at the Chicago Mercantile Exchange last Friday (4/22). Milk intakes at most plants are also showing increases and more handlers are thinking that plant capacity may get really tested this spring when schools let out. Some plants are also seeing larger seasonal declines in their milk solids content, reducing manufactured product yields. Milk intakes have probably reached or just past the annual peak in the most southern parts of the region with much of Texas still holding up strongly. Better (dryer) weather has helped to reduce somatic cell counts. Intakes are building along seasonal patterns moving northward from Texas. Ice cream production is steady to slightly heavier with some operations still trying to add labor in order to add additional lines/shifts. Cream supplies remain heavy. Despite the return of cold temperatures (lows in the 20's and 30's) and even several inches of snow last weekend in parts of Michigan and Indiana, good planting progress has been made in corn planting. Winterkill was heavy in some areas, leading to increased reseeding of alfalfa and alternative forage crops while others may try to get a cutting off before planting "silo corn". Dairy cattle sold at 2 dairy cattle auctions during the week ending April 27, supreme quality fresh milking cows ranged $2200 – 3200 per head, with a few $3500; approved quality $1850 – 2700 (Jerseys $1600 - 1800). Approved quality springing cows sold for $1800 - 2200. Approved quality springing heifers ranged $1700 – 2125.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APRIL 21 - 28	PREVIOUS YEAR
SLAUGHTER COWS	$ 57.00- 63.00	$ 52.50- 58.00
REPLACEMENT HEIFER CALVES	$510.00-740.00	$300.00-600.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	APRIL 21 - 28	PREVIOUS YEAR
SLAUGHTER COWS	$ 55.00- 65.50	$ 50.00- 61.50

WEST

Milk production for the first quarter of 2005 for the U.S. is reported to be 43.24 billion pounds, up 1.1% (unadjusted for the leap year) from the same period in 2004. First quarter changes for selected Western states compared to last year (unadjusted) is as follows: Arizona +2.1%, California +2.2%, Colorado +3.6%, Idaho +9.0%, New Mexico -4.1%, Oregon +2.0%, Utah +2.8%, and Washington +1.6%. March 2005 POOL RECEIPTS of milk in CALIFORNIA total 3.06 billion pounds, 1.0% lower than last year. (The change is affected by milk volumes not being included in the pool receipts for March 2005.) The March blend price, at a fat test of 3.66%, is $14.01, $0.11 lower than February and $0.12 less than March 2004. The percentage of receipts used in Class 1 products is 15.22%. The March quota price is $14.98 and the over quota price is $13.28. These prices are 2 cents higher than February but $0.46 less than a year earlier. CALIFORNIA milk output has leveled off in the South and to some extent in the Central Valley. Volumes are higher by varying degrees than year ago levels in all areas. The Northern producing areas are seeing some increases where cows are moving to pastures. The general trend in milk production is due to decent weather conditions and the availability of new crop hay and green chop. Fluid milk sales in the state have leveled and are generally predictable. Milk production in ARIZONA is steady to lower and thought to have hit the seasonal peak. Volumes are currently several percentage points ahead of last year. Weather conditions remain favorable for cows with moderate high temperatures and generally cool nights. Processing plants are running well in the state. NEW MEXICO milk output is increasing at seasonal levels in most areas. Volumes are generally higher than a year ago after being at lower comparable levels for many months. Plants are taking contracted volumes of milk. The CREAM market is characterized as "sloppy" with excess loads being offered from multiple sources. Demand is slow from higher class utilizations and cream is ending up at butter churns. The butter price continues to erode at the CME and closed on Wednesday, April 27, at $1.3925, 7.75 cents lower than last week. The CME price is 74 cents lower than a year ago. Cream prices are lower with lower basing points. The multiples are steady at low levels at around the 105 to 123 FOB, and vary depending on basing points and class usage. Milk output in the PACIFIC NORTHWEST ranges from steady to slightly heavier. Conditions are cool with scattered showers. Dairy producers are getting ahead of their grass growth finally and the quality of the feed they are able to make is improving. Tests on milk receipts are reasonably good with fat better than expected. Butter plants are running heavy to process all of the available cream. Cheese plants are uncertain how much milk they should be processing with cheese prices declining 17 1/2 cents in the last few weeks. Heifer and cull prices are both strong. The historical ratio of about 2 1/2 cull cows to buy one heifer is still holding relatively true even with prices for both very high. Some dairies are searching for hay to use before new crop becomes available. They are not happy with either the price or quality. Temperatures are cooler than normal for the season in UTAH and IDAHO. Rain was common last weekend and at the end of this week. New snow totaled about 15 inches on top. Flooding forecasts in southern Utah are getting worse. Hay growth is very slow and some grain is having trouble making much progress. Milk output continues to climb slowly. Water supplies in Utah are improving greatly, but there is still quite a bit of concern in Idaho. There is more discussion that some acres may be bought out of production to conserve water.

NDM, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Prices are trending higher on a steady to firm market. Production is higher than anticipated at this time of year due to heavier milk volumes available. Most plants are content in accumulating loads for contractual use later in the year. As a result, spot load trading activity is light. Buyers continue to note increased delivery of contractual loads from Western buyers as NDM production in the West also increases. Buyers expect full shipment of delayed contractual orders within the month of May. As cheese prices trend lower, interest in NDM by some cheese operations is reduced. Traders indicate that steady NDM prices will be highly dependent on continued interest from export markets.

EAST: Prices are fractionally higher as the basis for the national marketing agency (the previous week's NASS price) moved up slightly more than a half cent. The market tone is firm, but the heavy output has currently-available stocks in a little better position. (In recent weeks, spot buyers had to wait several weeks to get powder direct from the producer.) Surplus milk volumes range from excessive to burdensome in the East. Dryers are at or near capacity. Traders report that they have been able to find extra loads during the past two weeks. Most producers indicate that NDM is being shipped as fast as it is made and lab tests completed. Contacts still feel that NDM will be tight all year, but others wonder if NDM and milk production will hold above projections during most of the year. Also, it has been hypothesized that the current buying trend may be sufficient to carry some users through much of the year, which would take them out of the market when milk production slows during the hot months. Time will tell. Export interest is still fair to good, particularly in light of rising world prices for NDM and the weak U.S. dollar. Domestic demand is holding at good levels.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT:	.9300 - 1.0100	MOSTLY:	.9525 - .9775
HIGH HEAT:	.9650 - 1.0950		

NONFAT DRY MILK - WEST

Pricing levels for Western low/medium heat nonfat dry milk are moving incrementally higher. The market tone remains firm as both spot and program prices continue to increase on a regular basis. Production schedules are higher as more milk is moving into plants. Offerings are generally in balance. Cheese producers are often cutting or limiting orders of condensed skim and NDM. The decline in cheese prices coupled with seasonal milk supplies are the major reasons. Exports of both NDM and SMP continue to clear excess powder. During calendar year 2004, the FAS reports that 230,909 MT (509.1 million pounds) of nonfat dry milk were exported from the United States, compared to 113,333 MT (249.9 million pounds) in 2003. In January and February 2005, 62,099MT (136.9 million pounds) have been exported. (These figures include both NDM and SMP.) High heat NDM prices are slightly higher in light trading. There is some seasonal demand developing and producers are attempting to keep production schedules to service accounts on a regular basis. Producers' stocks are mostly balanced.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT:	.9000 - .9800	MOSTLY:	.9200 - .9700
HIGH HEAT:	.9400 - .9800		

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
April 22	$.9092	6,361,946	0
April 15	$.9011	8,706,926	0

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - CENTRAL

Buttermilk prices are unchanged and nominal on a market that is steady at best. As more cream filters into churns, heavier supplies of condensed buttermilk are readily available. Since ice cream producers are not seasonally increasing their production schedules, excess condensed buttermilk is predominantly clearing into dryers. Traders and end-users offered dry buttermilk from the West at a significant discount to the Central region are not readily accepting offers. Central producers report that supplies are building. Most plants are currently satisfied with holding onto loads for contractual purposes but anticipate offering a few loads sometime in May.

F.O.B. CENTRAL: .9600 - 1.0500

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices and the market tone are unchanged. Churning activity remains heavy. Most dryers are hard pressed to clear all the skim they have and there is little dryer-time left for buttermilk. Offerings of liquid/condensed buttermilk are increasing and demand for liquid is slow to fair. Producer stocks are moderate and demand remains fair.

F.O.B. NORTHEAST:	.9600 - .9800
DELVD SOUTHEAST:	.9800 - 1.0000

DRY BUTTERMILK - WEST

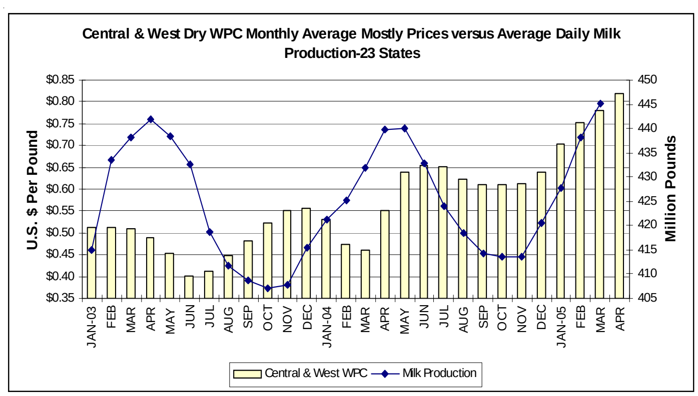
Western dry buttermilk prices are lower for both the entire range and the mostly range. These lower prices reflect building inventories at the producer level and the willingness of producers to keep product moving at discounts. Drying schedules are higher than projected as cream continues to move into butter churns. The lack of demand from ice cream producers for cream and condensed buttermilk is creating more buttermilk to be dried. The influences of other protein markets propping up dry buttermilk prices are diminishing. Buyers are less aggressive and often cautious despite discounted offerings. Stocks of dry buttermilk are building but are not excessive. Several producers want to move product instead of building additional stocks.

F.O.B. WEST: .9000 - .9700 MOSTLY: .9000 - .9500

DRY WHOLE MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are often lighter as most dryers have too much skim to process to take the additional time necessary to make dry whole milk. This is typical for the spring flush time of year. Prices remain nominal as few direct spot sales are noted. Plant stocks are balanced and demand is unchanged.

F.O.B. PRODUCING PLANT: 1.2725 - 1.4000



WHEY, CASEIN & EVAPORATED MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY – CENTRAL

Prices are unchanged on Extra Grade and higher on Milk Replacer quality whey. The market tone is generally steady. Trade activity is light and mostly contractual. Production is reported as steady with increased offerings of condensed whey noted. Reseller offerings are noted both above and below the average for the fair interest. Milk replacer quality whey supplies are short of buyer interest, encouraging some feed users to instead purchase Extra Grade whey. March veal production is 6% below last year and calf slaughter is 11% lower. March pork production is up slightly from last year.

F.O.B. CENTRAL: .2475 - .2675 MOSTLY: .2475 - .2525
F.O.B. CENTRAL: ANIMAL FEED MILK REPLACER: .2250 - .2425

DRY WHEY - NORTHEAST AND SOUTHEAST

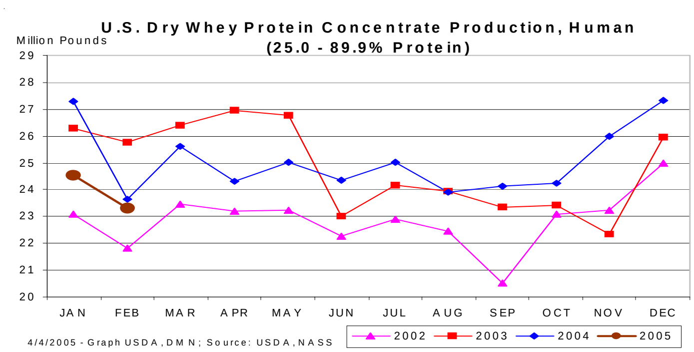
Prices are mostly steady and the market tone is unchanged at firm levels, particularly on the supply side of the market. Producers continue to report that relatively little dry whey is available for spot sale. Most spot demand is filled in the resale market. Production levels are steady at moderate levels. Surplus milk volumes are very heavy in the East, but most cheese makers are limiting their milk intakes to normal or regular volumes. Consequently, there are few expectations that dry whey output will increase much in the coming weeks and months. This would be particularly true while cheese prices are low and milk prices are high. Dry whey stocks are closely balanced at the producer level; light to moderate at the resale level. Demand is generally good. With the extremely tight supply of WPC in the country, producers report that they are getting more inquiries for dry whey. This, coupled with the continued good export market, may keep the market firm through the spring flush and into summer.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .2550 - .2750
DELVD SOUTHEAST: .2750 - .2925

DRY WHEY – WEST

Western whey prices range from steady to fractionally higher. The market undertone continues to be firm. Sellers are having no trouble clearing offerings of current powder. Buyers are able to find the powder they need in a timely fashion. With the widening spread between Central and Western prices, some powder has now moved West which will eventually tend to bring the price ranges closer together. New export sales are being put together. Market conditions in other areas of the world mean that the U.S. is the main source of whey powder currently for international trade. Whey exports from the U.S. for the first two months of 2005 total 31,814 MT according to the FAS Ag Export Aggregation. This is about 51% higher than the same period in 2004. The top two export destination countries are China and Japan which totaled about 43% of the two month total.

NONHYGROSCOPIC: .2750 - .2950 MOSTLY: .2800 - .2875



WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are higher on a firm market. Production is reported as generally steady. Spot loads are available at some locations at significant premiums. As prices edge closer to the NDM market, traders suspect that the market may level, especially as supplies of NDM become more readily available. Trade of Israeli WPC 80% is noted into some feed operations as a substitute to WPC 34%. Some feed buyers are also reporting delivery of WPC 80% from New Zealand suppliers that promised shipment last year. Some Canadian WPC 34% is trading into the US to offset domestic supply shortages. According to USDA, FAS Agricultural Export Aggregations, 3,483.3 MT of WPC 34% and 1,578.7 MT of WPC 80% were exported from the US during the first 2 months of 2004. This compares to 4,187.7 MT and 959.7 MT for the same time period in 2005. The most significant increases in export activity for WPC 34% are noted into Brazil and Guatemala. For WPC 80%, increased export activity is noted into the UK and Japan but sales are reduced into last year's primary markets of Canada and China.

F.O.B. EXTRA GRADE 34% PROTEIN: .8200 - .9000 MOSTLY: .8200 - .8600

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady market. Supplies of higher mesh lactose are in some instances short of buyer interest. Supplies of the lower mesh lactose are in better balance than the month prior due to increased feed interest as a substitute for dry permeate. Spot trade activity is generally light with most movement occurring on a contractual basis. According to USDA, FAS Agricultural Export Aggregations, 8,750.3 MT of lactose were exported from the US during the first 2 months of 2004. This compares to 12,228.6 MT for the same time period in 2005. The most significant increases in export activity are noted into the Republic of Korea and Thailand.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.
F.O.B. EDIBLE: .1650 - .2100 MOSTLY: .1700 - .1900

CASEIN - NATIONAL

Casein markets remain firm at unchanged prices, although some suppliers are indicating that further strength might not be developing. Stocks of both acid and rennet remain in very close balance and, in many instances, short of full needs. Some Oceania suppliers indicate that meeting their commitments from their own production will be difficult to fulfill, thus they are looking to outside sources for additional volumes. European output continues to expand. The milk production season is showing positive signs of development at this time, thus producers and handlers remain optimistic about the casein production season. The Commodity Credit Corporation (CCC) issued invitation #043 seeking bidders to buy approximately 4 million pounds of government owned skim milk powder for the production of casein/caseinate. Bids were due on Tuesday, April 26 with public results release on Thursday, April 28.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 3.2700 - 3.4500
ACID: 3.2700 - 3.4000

EVAPORATED MILK – NATIONAL

Prices and the market tone are little changed. Production patterns are often heavier as surplus milk volumes increase seasonally in much of the country. Some loads of distress-priced milk are available should evaporated milk producers want additional milk. The market does remain highly competitive. Competition to gain or maintain market share is commonplace. Demand for canned evaporated milk is seasonally slow.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES $22.00 - 30.00
Excluding promotional and other sales allowances. Included new price announcements.

CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	04/13	04/14	04/15	04/18	04/19	04/20	04/21	04/22	04/25	04/26
CME - (CLASS III) MILK FUTURES -- Dollars per cwt										
APR 05	14.58 (3096) 35	14.56 (3200) 311	14.60 (3224) 44	14.60 (3215) 35	14.61 (3216) 4	14.62 (3210) 0	14.62 (3224) 26	14.62 (3256) 0	14.62 (3252) 3	14.61 (3252) 1
MAY 05	14.39 (3064) 152	14.15 (3101) 236	14.18 (3161) 234	13.90 (3164) 211	14.06 (3157) 162	14.03 (3138) 195	13.94 (3217) 321	13.62 (3073) 415	13.50 (3078) 240	13.53 (3082) 236
JUN 05	14.40 (2635) 102	14.14 (2714) 209	14.10 (2776) 174	13.80 (2841) 214	13.87 (2829) 65	13.79 (2840) 207	13.65 (2865) 279	13.59 (2851) 204	13.42 (2927) 170	13.42 (2942) 317
JUL 05	14.74 (2287) 64	14.57 (2308) 52	14.45 (2326) 122	14.10 (2392) 142	14.19 (2409) 46	14.00 (2429) 167	13.95 (2450) 150	13.94 (2481) 85	13.87 (2487) 42	13.85 (2533) 151
AUG 05	14.85 (2428) 41	14.70 (2409) 115	14.69 (2416) 96	14.36 (2441) 72	14.50 (2439) 24	14.39 (2432) 92	14.34 (2453) 63	14.34 (2448) 44	14.29 (2440) 79	14.21 (2505) 116
SEP 05	14.90 (2323) 56	14.74 (2304) 110	14.71 (2323) 114	14.36 (2313) 82	14.68 (2314) 23	14.49 (2305) 43	14.47 (2320) 60	14.44 (2324) 46	14.39 (2347) 84	14.32 (2356) 126
OCT 05	13.90 (1630) 36	13.76 (1619) 24	13.71 (1649) 101	13.69 (1678) 52	13.70 (1690) 14	13.76 (1701) 21	13.80 (1735) 65	13.80 (1767) 42	13.70 (1760) 36	13.73 (1802) 88
NOV 05	13.66 (1294) 10	13.50 (1307) 39	13.45 (1316) 109	13.45 (1332) 27	13.45 (1344) 23	13.50 (1350) 19	13.55 (1397) 72	13.50 (1414) 25	13.43 (1410) 33	13.44 (1467) 96
DEC 05	13.25 (1203) 11	13.17 (1202) 23	13.16 (1202) 26	13.16 (1222) 32	13.16 (1232) 28	13.20 (1235) 14	13.25 (1277) 50	13.25 (1301) 33	13.21 (1313) 33	13.25 (1332) 73
JAN 06	13.25 (381) 0	13.15 (399) 46	13.05 (421) 36	12.86 (447) 42	12.87 (462) 27	13.00 (462) 8	12.95 (499) 50	12.95 (499) 8	12.88 (499) 23	12.90 (500) 5
FEB 06	13.10 (316) 0	13.05 (329) 44	13.10 (354) 35	12.90 (369) 17	13.05 (376) 20	13.04 (374) 8	12.99 (387) 17	13.10 (400) 14	12.94 (420) 28	12.95 (423) 3
MAR 06	13.10 (304) 0	13.10 (318) 44	13.05 (341) 31	12.90 (353) 13	12.90 (362) 21	13.00 (360) 8	12.95 (370) 16	12.95 (382) 13	12.92 (395) 56	12.90 (402) 7
APR 06	13.19 (247) 2	13.10 (259) 67	13.10 (276) 26	12.80 (283) 21	12.77 (284) 1	12.77 (285) 9	12.80 (302) 27	12.89 (312) 21	12.89 (334) 22	12.89 (338) 7
MAY 06	13.19 (221) 4	13.10 (240) 54	13.10 (270) 46	12.75 (279) 11	12.82 (280) 6	12.82 (282) 3	12.82 (299) 23	12.89 (307) 14	12.89 (333) 37	12.89 (339) 7
JUN 06	13.31 (196) 2	13.22 (206) 43	13.15 (229) 43	13.00 (234) 6	13.02 (234) 4	13.05 (235) 2	13.05 (242) 13	13.15 (247) 7	13.02 (261) 16	13.02 (266) 5
JUL 06	13.30 (139) 2	13.25 (174) 43	13.25 (179) 29	13.13 (181) 4	13.13 (181) 4	13.23 (181) 1	13.17 (183) 6	13.15 (184) 7	13.12 (195) 21	13.12 (201) 11
AUG 06	13.50 (111) 0	13.45 (148) 44	13.45 (156) 21	13.40 (158) 4	13.40 (161) 6	13.50 (161) 3	13.45 (167) 10	13.40 (172) 11	13.40 (172) 10	13.40 (173) 3
SEP 06	13.60 (89) 0	13.55 (105) 51	13.55 (108) 16	13.45 (116) 8	13.40 (120) 7	13.54 (122) 2	13.50 (135) 13	13.45 (141) 6	13.45 (151) 10	13.45 (151) 1
OCT 06	13.10 (103) 0	13.05 (120) 42	13.00 (121) 11	12.95 (127) 11	12.95 (126) 6	13.00 (126) 2	13.00 (130) 5	12.95 (136) 6	12.95 (147) 11	12.92 (150) 3
NOV 06	13.00 (111) 2	12.95 (119) 41	12.90 (119) 6	12.85 (124) 11	12.85 (125) 4	12.95 (126) 1	12.95 (139) 13	12.94 (139) 0	12.94 (151) 12	12.88 (153) 29
CME - (CLASS IV) MILK FUTURES - Dollars per cwt.										
APR 05	13.20 (8) 0	13.20 (8) 0	13.20 (8) 0	13.20 (8) 0	13.00 (8) 0	13.00 (8) 0	13.00 (8) 0	13.00 (8) 0	13.00 (8) 0	13.00 (8) 0
JUL 05	13.75 (22) 0	13.75 (22) 0	13.75 (22) 0	13.75 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0
AUG 05	13.75 (22) 0	13.75 (22) 0	13.75 (22) 0	13.75 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0
SEP 05	13.75 (22) 0	13.75 (22) 0	13.75 (22) 0	13.75 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0	13.70 (22) 0
NOV 05	13.50 (6) 0	13.50 (6) 0	13.50 (1) 5	13.50 (1) 0	13.50 (1) 0	13.50 (1) 0	13.50 (1) 0	13.50 (1) 0	13.50 (1) 0	13.50 (1) 0
CME - BUTTER FUTURES -- Cents per pound										
MAY 05	154.50 (256) 11	153.50 (248) 19	149.50 (244) 11	148.00 (230) 37	148.50 (228) 7	148.00 (227) 5	148.25 (225) 4	145.50 (222) 9	143.50 (216) 8	142.75 (217) 17
JUL 05	156.00 (324) 13	155.75 (333) 17	151.50 (339) 8	151.00 (340) 11	153.00 (341) 7	151.00 (342) 11	151.25 (341) 2	148.00 (352) 18	146.25 (359) 20	146.00 (380) 34
SEP 05	157.50 (248) 11	157.50 (250) 10	155.00 (258) 8	154.00 (275) 22	154.00 (280) 7	153.50 (283) 5	153.25 (284) 1	153.25 (299) 21	148.25 (312) 29	148.00 (329) 23
OCT 05	158.25 (139) 5	158.25 (143) 4	156.00 (143) 1	154.75 (148) 11	155.00 (147) 3	154.00 (147) 0	154.00 (147) 0	152.00 (149) 2	149.00 (152) 6	148.75 (155) 9
DEC 05	155.00 (34) 0	154.00 (34) 0	153.50 (34) 0	153.00 (34) 7	154.00 (34) 1	151.00 (34) 0	151.00 (36) 2	149.00 (36) 0	149.00 (36) 0	149.00 (36) 0

1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered April 18 - 29, 2005

Prices are U.S. $/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

WESTERN EUROPEAN OVERVIEW: European Union milk production continues to increase seasonally. March deliveries to dairies indicate that output in the EU 25 countries is up about 2% when compared to last year at that time. The figures show that production is up 1.7% in the original EU 15 countries and 5% higher in the additional 10 countries that joined the Union last May. Weather conditions have not been overly conducive for a stronger start to the production season, although weather patterns are improving basically on a weekly basis. Moisture conditions across Europe are mixed. There are areas that are receiving good volumes of moisture while others remain dryer than desired. Milk handlers state that it is still too early for wet or dry conditions to be a hindering factor for production development. International buyer interest continues to occur although export refunds are limited through the end of June and uncertain for later deliveries. The most significant sales reported out of Europe is the Algerian tender that sourced between 15,000 – 18,000 MT of skim milk powder, about 2,000 MT of whole milk powder, and 3,000 MT of butteroil from European sources. The milk powders will probably be sourced from Eastern EU countries with the butteroil coming from Spain. Stocks of manufactured dairy products are available for immediate and future deliveries. Traders and handlers indicate that due to slower sales, commitments on the part of suppliers are not fully developed. European traders anticipate that the upcoming sales season should be quite active. International supplies are not excessive and projected to be short of potential buyer needs, thus European sources are preparing themselves for an active season. Intervention for both butter and skim milk powder remains open. As previously projected, skim milk powder offerings remain minimal with butter offerings more active. Since March 1 and through April 24, skim milk offerings total 2,739 MT and butter offerings total 17,944 MT.

BUTTER/BUTTEROIL: European butter markets are generally steady at unchanged prices. Milk production is increasing seasonally, thus is butter output. Stocks of butter are building to the point that surplus is clearing to intervention. Some traders and handlers anticipate that butter clearances to intervention will be heavy this year. Since March 1 and through April 24, 17,944 MT of butter have been offered to intervention. This two month total compares to 17,618 MT for a comparable period last year. The majority of this butter has come from Ireland.

82% BUTTERFAT:	1,850 - 2,050
99% BUTTERFAT:	2,400 - 2,600

SKIM MILK POWDER (SMP): Skim milk powder markets are steady at unchanged prices, although the undertone is firm. Traders and handlers feel that market conditions are staging themselves for a firm sales season. Stocks of powder are available in Europe for immediate and future deliveries. For the period of March 1 - April 24, offerings to intervention remain light with 2,739 MT of powder being offered during that time period. Current year offerings are comparable to last year at this time.

1.25% BUTTERFAT:	2,200 - 2,250

WHOLE MILK POWDER (WMP): Whole milk powder markets are steady to firm with prices basically unchanged. International supplies are limited, thus many European traders and handlers feel that buyer interest should potentially be active during upcoming months. Stocks are available for both immediate and future needs. At this point, producers and handlers are reporting a positive start to the milk production season and are optimistic that the balance of the season will be as favorable.

26% BUTTERFAT:	2,250 - 2,325

SWEET WHEY POWDER: Whey markets and prices remain firm. Traders and handlers are quite surprised at the strength the whey market has had in recent weeks. Although milk production is increasing seasonally, cheese production is not that strong, thus whey volumes are not as plentiful as usual for this time of the season. Animal feed demand is strong, thus feed buyers are in direct competition with edible buyers for available whey stocks.

NONHYGROSCOPIC:	625 - 800

EASTERN EUROPEAN OVERVIEW: Early reports indicate that milk production is running about 5% ahead of last year at this time in Eastern Europe. Weather conditions continue to become more favorable on basically a daily basis. Moisture levels are mixed across the region, but are not a hindering factor in milk production patterns at this time. Stocks of manufactured dairy products

OCEANIA

OCEANIA OVERVIEW: The milk production season in Oceania continues to wind down. Milk producers and handlers continue to report that overall milk volumes will not attain levels of last season. In Australia, milk handlers feel that milk volumes will trail last season by about 1% while New Zealand handlers maintain their projections of a 4 – 5% decline in comparison to last year. At this point of the season, most feel that a very late season spurt in production will not be enough to reverse the direction of these projections. Stocks of manufactured dairy products continue to be in very close balance and often are reported as short of needs. Traders and handlers state that warehouses will be empty and inventories will be basically nonexistent by season's end. For some traders and handlers, they will need to reach to outside sources to meet commitments with some indicating that they may need to reach into the new production season to acknowledge their commitments. Prices are basically unchanged, although traders and handlers feel that Oceania prices may edge slightly lower as product becomes available elsewhere in the international market place. Butter prices have been high for much of the year, but traders and handlers state that prices, especially at the upper end of the reported range, are edging lower.

BUTTER: Oceania butter markets are generally steady with prices unchanged to lower, especially at the top of the reported range. Some traders and handlers indicate that sales are occurring at the upper end, but are not as significant as the lower prices are. Butter stocks are in very close balance and often short of full needs. Suppliers and handles indicate that they do not foresee having any uncommitted volumes at the end of the current production season for spot buyer interest.

82% BUTTERFAT:	1,900 - 2,250

CHEDDAR CHEESE: Oceania cheese markets are generally steady at unchanged prices. Traders are now negotiating contracts for the new year. At this point, traders indicate that there are no significant new buyers in the marketplace. Negotiations are occurring with regular and ongoing customers. Cheese stocks are in close balance, but are sufficient to meet customer needs.

39% MAXIMUM MOISTURE:	2,650 - 2,900

SKIM MILK POWDER (SMP): Skim milk powder markets are generally steady at unchanged prices. Traders and handlers state that the supply situation is little changed from recent weeks. Stocks remain short of full needs and some suppliers are looking to outside sources for additional supplies to fulfill their current year commitments. Some suppliers state that they may have to reach into the new production season to fulfill their commitments.

1.25% BUTTERFAT:	2,150 - 2,250

WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady. Stocks of powder are in very close balance and often short of desired needs. Some traders and handlers are indicating that they may need to look for additional powder outside of the Oceania region to fulfill their commitments. At this point, the milk production season is winding down quite rapidly, thus producers and handlers do not foresee much recovery from a late season spurt in milk production if this should occur.

26% BUTTERFAT:	2,150 - 2,300

Exchange rates for selected foreign currencies: April 25, 2005

.8079 Canadian Dollar	.0229 Indian Rupee
.3447 Argentina Peso	.7283 New Zealand Dollar
.0905 Mexican Peso	.7799 Australian Dollar
.3102 Polish Zloty	.0095 Japanese Yen
	1.2998 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0905)= 11.0497 That is 1 US Dollar equals 11.0497 Mexican Pesos.
Source: "Wall Street Journal"

EASTERN OVERVIEW CONTINUED: continue to be generated and available for potential buyer interest. Reports indicate that the recent Algerian tender for both skim and whole milk powder will probably be filled from Eastern EU countires.

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

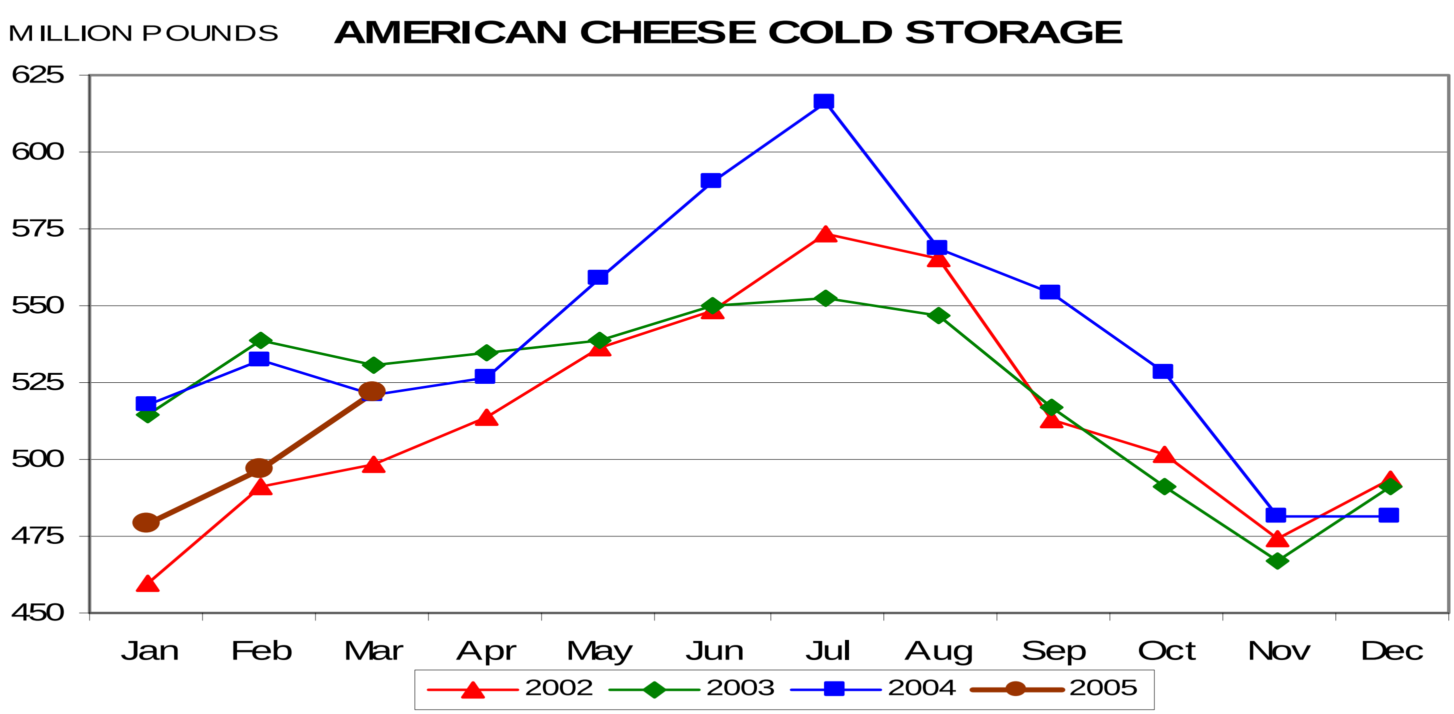
U.S. HOLDINGS OF DAIRY PRODUCTS

COMMODITY	FEB 28, 2003	FEB 29, 2004	REVISED FEB 28, 2005	MAR 31, 2003	MAR 31, 2004	MAR 31, 2005
Butter	239,879	159,066	110,897	244,958	158,118	132,673
Cheese, Natural American	538,833	532,616	496,588	530,798	520,803	521,979
Cheese, Swiss	23,151	25,356	27,329	25,323	23,277	22,620
Cheese, Other Natural	208,024	208,118	191,855	215,154	215,466	202,346
Total Cheese	770,008	766,090	715,772	771,275	759,546	746,945
U. S. GOVERNMENT OWNED COLD STORAGE HOLDINGS						
Butter	1,391	1,209	100	2,576	602	276
Natural American Cheese	368	9,616	2,694	1,602	9,615	1,504

MARCH STORAGE HOLDINGS BY REGION

REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
New England	21,175	23,236	21,386	---	---	---	276	382	350
Middle Atlantic	59,548	51,553	50,599	---	---	---	17,502	16,024	9,704
East North Central	216,171	205,291	208,948	---	---	---	124,026	126,127	119,807
West North Central	121,803	113,140	118,389	---	---	---	55,616	53,556	52,596
South Atlantic	118	4,358	3,174	---	---	---	1,883	1,315	106
East South Central	230	215	211	---	---	---	1,751	2,324	2,393
West South Central	1,592	2,230	1,934	---	---	---	242	186	199
Mountain	14,793	23,651	33,522	---	---	---	1,873	3,911	5,605
Pacific	95,368	97,129	83,816	---	---	---	11,985	11,641	11,586
TOTAL	530,798	520,803	521,979	244,958	158,118	132,673	215,154	215,466	202,346

*Regional breakdowns are not reported to avoid possible disclosure of individual operations.



COMMERCIAL AND GOVERNMENT STORAGE HOLDINGS, JANUARY 2004 TO DATE

Month	Butter						Natural American Cheese						Nonfat Dry Milk					
	Total 1/		Commercial		Government		Total 1/		Commercial		Government		Total 1/ 2/		Commercial		Government 2/	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	Million Pounds						Million Pounds						Million Pounds					
January	77	152	77	151	3/	1	479	518	475	508	4	10	440	945	83	109	357	836
February	111	159	111	158	3/	1	497	533	494	523	3	10	375	896	79	95	296	800
March	133	158	132	158	3/	1	522	521	520	511	2	10		841		80		761
April		156		155		3/		526		517		10		826		104		723
May		179		178		3/		559		549		10		814		123		691
June		189		189		3/		591		582		9		774		146		628
July		194		193		3/		616		609		7		755		161		594
August		161		161		3/		569		562		7		716		149		567
September		133		133		3/		554		547		6		650		127		523
October		107		107		3/		528		521		7		602		116		486
November		57		57		3/		481		476		5		552		94		458
December		45		45		3/		481		476		5		512		99		413

NA = Not available.
1/ Total may not add due to rounding. 2/ Includes instant nonfat dry milk. 3/ Less than 500,000 lbs.

COMMERCIALLY OWNED COLD STORAGE HOLDINGS FOR THE UNITED STATES 1/

Commodity	Feb 28, 2003	Feb 29, 2004	Feb 28, 2005	Mar 31, 2003	Mar 31, 2004	Mar 31, 2005
	Thousand Pounds					
Butter	238,488	157,857	110,797	242,382	157,516	132,397
Natural American Cheese	538,465	523,000	493,894	529,196	511,188	520,475

1/ Total holdings minus Government owned holdings. For more information, see page 9 of this report.

SOURCE: "Cold Storage," Co St 1 (4-05) and "Dairy Products," Da 2-6 (4-05), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Farm Service Agency.

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE 1/

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/	CPI 2/	Pct. Chg.3/
JAN 2005	189.1	2.9	183.3	6.3	187.2	10.5	184.3	6.8	195.2	26.8	183.4	1.9
FEB 2005	188.8	2.6	181.8	5.6	183.6	9.0	183.1	6.1	193.8	25.2	183.9	2.3
MAR 2005	189.1	2.5	181.4	5.5	183.9	10.6	182.4	4.9	185.0	5.8	184.3	2.7

U.S. City Average Retail Prices

Month	Whole Milk 4/		Butter 5/		Process Cheese 6/		Natural Cheese 7/		Ice Cream 8/	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	Dollars									
JANUARY	3.304	2.879	3.513	2.847	3.876	3.813	4.210	4.046	3.873	3.692
FEBRUARY	3.176	2.814	3.525	2.787	3.873	3.937	4.382	3.973	3.790	3.808
MARCH	3.226	2.786	3.456	3.466	3.843	3.895	4.354	4.079	3.654	3.648

1/ "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. 2/ The standard reference base period for these indexes is 1982-1984 = 100. 3/ Percent change over previous year. 4/ Per gallon. 5/ Per pound. Grade AA, salted, stick butter. 6/ Per pound, any size and type of package. 7/ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). 8/ Per 1/2 gallon, prepackaged regular.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS—DECEMBER-FEBRUARY 2003-2005 AND ANNUAL 2003-2004 1/

Item	Dec.-Feb. 2003/04	Percent change 2/	Dec.-Feb. 2004/05	Percent change 2/	Jan.-Dec. 2003	Percent change 2/	Jan.-Dec. 2004	Percent change 2/
	Million Pounds							
MILK								
Production	42,178	-1.4	42,370	1.6	170,394	0.2	170,805	0.0
Marketings	41,912	-1.3	42,123	1.6	169,280	0.2	169,755	0.0
Beginning Commercial Stocks 3/	8,542	-6.2	7,411	-13.2	9,891	40.5	8,331	-15.8
Imports 3/	1,228	-4.5	1,353	10.2	5,040	-1.3	5,279	4.7
Total Supply 4/	51,682	-2.3	50,887	-0.6	184,211	1.7	183,365	-0.7
Ending Commercial Stocks 3/	10,136	-15.8	8,720	-14.0	8,331	-15.8	7,151	-14.2
Net Removals 3/	-112	-152.8	-30	-73.2	1,162	256.4	-64	-105.5
Commercial Disappearance 4/	41,658	2.6	42,197	2.4	174,718	2.3	176,278	0.6
SELECTED PRODUCTS 5/								
Butter	323.8	6.7	309.6	-3.3	1,309.2	1.6	1,325.7	1.0
American Cheese	887.1	1.4	938.1	6.9	3,707.6	-0.2	3,807.1	2.4
Other Cheese	1,345.0	5.4	1,401.1	5.3	5,340.9	2.3	5,510.2	2.9
Nonfat Dry Milk	213.2	31.6	335.6	59.7	921.9	13.3	1,297.7	40.4
Fluid Milk Products 6/	13,973.3	-1.0	13,736.9	-0.6	54,980.5	-0.5	54,523.6	-1.1

1/ Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. 2/ From year earlier on a daily average basis. 3/ Milk-equivalent, milkfat basis. 4/ Totals may not add because of rounding. 5/ Commercial disappearance in product pounds. 6/ Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA.

ANNOUNCED COOPERATIVE CLASS I PRICES FOR SELECTED CITIES IN FEDERAL MILK ORDERS, MAY 2005, WITH COMPARISONS 1/

For May 2005, the all-city average announced cooperative Class I price was $18.80 per cwt., $1.47 higher than the Federal milk order Class I price average for these cities. The May cooperative Class I price was $.60 higher than the April price, while the Federal order price was $.67 higher. On an individual city basis, the difference between the Federal order and announced cooperative Class I price ranged from $.15 in Phoenix, AZ, to $2.68 in Miami, FL. For May 2004, the all-city average announced cooperative Class I price was $23.68, $1.50 higher than the Federal order Class I price average for these cities.

City	May 2005		
	Announced Cooperative Class I Price	Federal Milk Order Class I Price	Difference
	Dollars per hundredweight, 3.5% butterfat		
Atlanta, GA	19.51	17.90	1.61
Baltimore, MD	19.60	17.80	1.80
Boston, MA	19.75	18.05	1.70
Charlotte, NC	19.51	17.90	1.61
Chicago, IL	18.87	16.60	2.27
Cincinnati, OH	18.71	17.00	1.71
Cleveland, OH	18.51	16.80	1.71
Dallas, TX	18.30	17.80	0.50
Denver, CO	18.20	17.35	0.85
Des Moines, IA	18.34	16.60	1.74
Detroit, MI	18.26	16.60	1.66
Hartford, CT	19.65	17.95	1.70
Houston, TX	18.90	18.40	0.50
Indianapolis, IN	18.51	16.80	1.71
Kansas City, MO	18.03	16.80	1.23
Louisville, KY	18.61	17.00	1.61
Memphis, TN	19.01	17.60	1.41
Miami, FL	21.78	19.10	2.68
Milwaukee, WI	18.82	16.55	2.27
Minneapolis, MN	18.52	16.50	2.02
New Orleans, LA	19.81	18.40	1.41
Oklahoma City, OK	17.95	17.40	0.55
Omaha, NE	18.09	16.65	1.44
Philadelphia, PA	19.89	17.85	2.04
Phoenix, AZ	17.30	17.15	0.15
Pittsburgh, PA	18.83	16.90	1.93
St. Louis, MO	18.35	16.80	1.55
Seattle, WA	17.12	16.70	0.42
Springfield, MO	17.55	17.00	0.55
Washington, DC	19.60	17.80	1.80
Simple Average	18.80	17.33	1.47

1/ This table contains information obtained from the Class I price announcements sent by the major cooperative in each city market to all handlers who buy milk from them. These over-order prices include charges for various services performed by the cooperative. In some instances, these over-order prices may not include all credits that may be allowed. These prices have not been verified as having been actually paid by handlers.

FEDERAL MILK ORDER ADVANCE PRICES, MAY

Class I Base Price - Under the Federal milk order pricing system, the Class I base price for May 2005 is $14.80 per cwt. This price is derived from the advanced Class III skim milk pricing factor of $9.14 and the advanced butterfat pricing factor is $1.7092. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. **Class II Price Information -** The advanced Class IV skim milk pricing factor is $6.91. Thus, the Class II skim milk price for May is $7.61 per cwt., and the Class II nonfat solids price is $0.8456. **Product Price Averages -** The two-week product price averages for May are: butter $1.5393, nonfat dry milk $0.9159, cheese $1.5777, and dry whey $0.2596.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION 1/ 2/

Federal Milk Order Marketing Area 3/	Order Number	May 2005		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		$ per cwt.	$ per cwt.	$ per pound
Northeast (Boston) 4/	001	18.05	12.39	1.7417
Appalachian (Charlotte) 5/	005	17.90	12.24	1.7402
Southeast (Atlanta) 6/	007	17.90	12.24	1.7402
Florida (Tampa) 7/	006	18.80	13.14	1.7492
Mideast (Cleveland) 8/	033	16.80	11.14	1.7292
Upper Midwest (Chicago) 9/	030	16.60	10.94	1.7272
Central (Kansas City) 10/	032	16.80	11.14	1.7292
Southwest (Dallas) 11/	126	17.80	12.14	1.7392
Arizona-Las Vegas (Phoenix) 12/	131	17.15	11.49	1.7327
Pacific Northwest (Seattle) 13/	124	16.70	11.04	1.7282
All-Market Average		17.45	11.79	1.7357

1/ To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63--the approximate number of gallons in 100 pounds of milk. 2/ Note: The mandatory $0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. 3/ Names in parentheses are the major city in the principal pricing point of the markets. 4/ Class I prices at other cities are: New York City, minus $0.10; Philadelphia, minus $0.20; Baltimore, minus $0.25, and Washington, DC, minus $0.25. 5/ Class I prices at other cities are: Knoxville, minus $0.30 and Louisville, minus $0.90. 6/ Class I prices at other cities are: New Orleans; plus $0.50; Memphis, minus $0.30; Nashville, minus $0.50; and Springfield, Mo., minus $0.90. 7/ Class I prices at other cities are: Orlando, same; Miami, plus $0.30; and Jacksonville, minus $0.30. 8/ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus $0.20; Pittsburgh, plus $0.10; and Detroit, minus $0.20. 9/ Class I prices at other cities are: Milwaukee, minus $0.05; and Minneapolis, minus $0.10. 10/ Class I prices at other cities are: Des Moines, minus $0.20; Omaha, minus $0.15; Oklahoma City, plus $0.60; St. Louis, same; and Denver plus $0.55. 11/ Class I prices at other cities are: Houston, plus $0.60; San Antonio, plus $0.45; Albuquerque, minus $0.65; and El Paso, minus $0.75. 12/ Class I price at Las Vegas is minus $0.35. 13/ Class I prices at other cities are: Portland, same; and Spokane, same.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 25 – 29, 2005			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/04	SAME PERIOD LAST YEAR	WEEK ENDING 04/22/05	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-42,309	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-42,309	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	-0-	-0-	-0-	31,817,269	262,404,191	-0-	641,345,000
Fortified	-0-	-0-	-0-	-0-	-119,048	-0-	46,391,000
TOTAL	-0-	-0-	-0-	31,817,269	262,285,143	-0-	687,736,000

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 25 - 29, 2005 =	0.0	0.0	COMPARABLE PERIOD IN 2004 =	2.0	107.0
CUMULATIVE SINCE OCTOBER 1, 2004 =	7.0	370.4	CUMULATIVE SAME PERIOD LAST YEAR =	56.8	3,053.0
CUMULATIVE JANUARY 1 - APRIL 29, 2005 =	0.0	0.0	COMPARABLE CALENDAR YEAR 2004 =	31.3	1,703.7

* Factors used for Fat Solids Basis - Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
**Factors used for Skim Solids Basis - Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF APRIL 25 - 29, 2005 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK	
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
CENTRAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/04 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
REGION	2004/05	2003/04	2004/05	2003/04	2004/05	2003/04	2004/05	2003/04
CENTRAL	-0-	-0-	-0-	-0-	1,331,567	7,646,276	4.2	3.0
WEST	-0-	-42,309	-0-	-0-	29,415,099	250,355,093	92.4	95.4
EAST	-0-	-0-	-0-	-0-	1,070,603	4,283,774	3.4	1.6
TOTAL	-0-	-42,309	-0-	-0-	31,817,269	262,285,143	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER NOVEMBER 15, 2002

MANUFACTURING MILK Average Test 3.67% - $9.90 per cwt.

BUTTER Bulk $1.0500 per pound; 1# Prints $1.0850
CHEESE 40 & 60# Blocks $1.1314 per pound; 500# Barrels $1.1014; Process American 5# $1.1889; Process Am. 2# $1.2289
NONFAT DRY MILK Nonfortified $.8000 per pound; Fortified $.8100; Instant $0.9625

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 04/09/05 & Comparable Week 2004

											U.S. TOTAL		% DAIRY OF ALL	
Regions* (000 HEAD)	1	2	3	4	5	6	7	8	9	10	WEEK	SINCE JAN 1	WEEK	SINCE JAN 1
2005-Dairy	N.A.	0.6	N.A.	2.2	15.1	2.3	0.5	N.A.	11.7	3.3	42.7	695.9	48.0	49.5
2004-Dairy	N.A.	0.6	N.A.	2.0	14.4	1.9	0.3	N.A.	9.6	2.8	39.3	726.0	44.8	49.1
2005-All cows	N.A.	0.6	N.A.	10.8	27.0	12.2	10.5	N.A.	12.8	5.2	89.0	1,406.6		
2004-All cows	0.1	0.6	N.A.	9.7	25.0	9.7	14.5	N.A.	11.3	5.6	87.7	1,478.3		

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, the Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III MILK PRICES,(3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2002	11.87	11.63	10.65	10.85	10.82	10.09	9.33	9.54	9.92	10.72	9.84	9.74
2003	9.78	9.66	9.11	9.41	9.71	9.75	11.78	13.80	14.30	14.39	13.47	11.87
2004	11.61	11.89	14.49	19.66	20.58	17.68	14.85	14.04	14.72	14.16	14.89	16.14

FEDERAL MILK ORDER CLASS PRICES FOR 2005 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	16.65	13.79	15.43	14.13	14.80							
II	13.04	13.36	13.25	13.24								
III	14.14	14.70	14.08	14.61								
IV	12.52	12.74	12.66	12.61								

1/ Specific order differentials to be added to this base price are located at www.ams.usda.gov/dyfmos/mib/cls_prod_cmp_pr.htm